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ABSTRACT

Written in response to pressure for British colleges and local education authorities (LEAs) to be more businesslike, this document consists almost entirely of a working manual or guide (the Educational Audit Reference Inventory) and instructions for how managers can use it to carry out effective performance evaluation of any element of their educational program, from a course to an entire college. The inventory is a set of four audit questionnaires (lead sheet, continuation sheet, action plan, and summary sheet) that can help managers custom design similar instruments more appropriate for their own audits. The guide suggests audit questions to be asked about the following four topic areas that form a framework for evaluation: purpose, management, resources, and outcomes. Evidence, or performance indicators, that the guide suggests should be accepted in answer to each audit question are also given. Advice is given on how to report the evaluation results, and an example of a completed Educational Audit Reference Inventory is provided. The methodology of the project that produced the guide is also explained. (CML)

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TOWARDS AN EDUCATIONAL AUDIT

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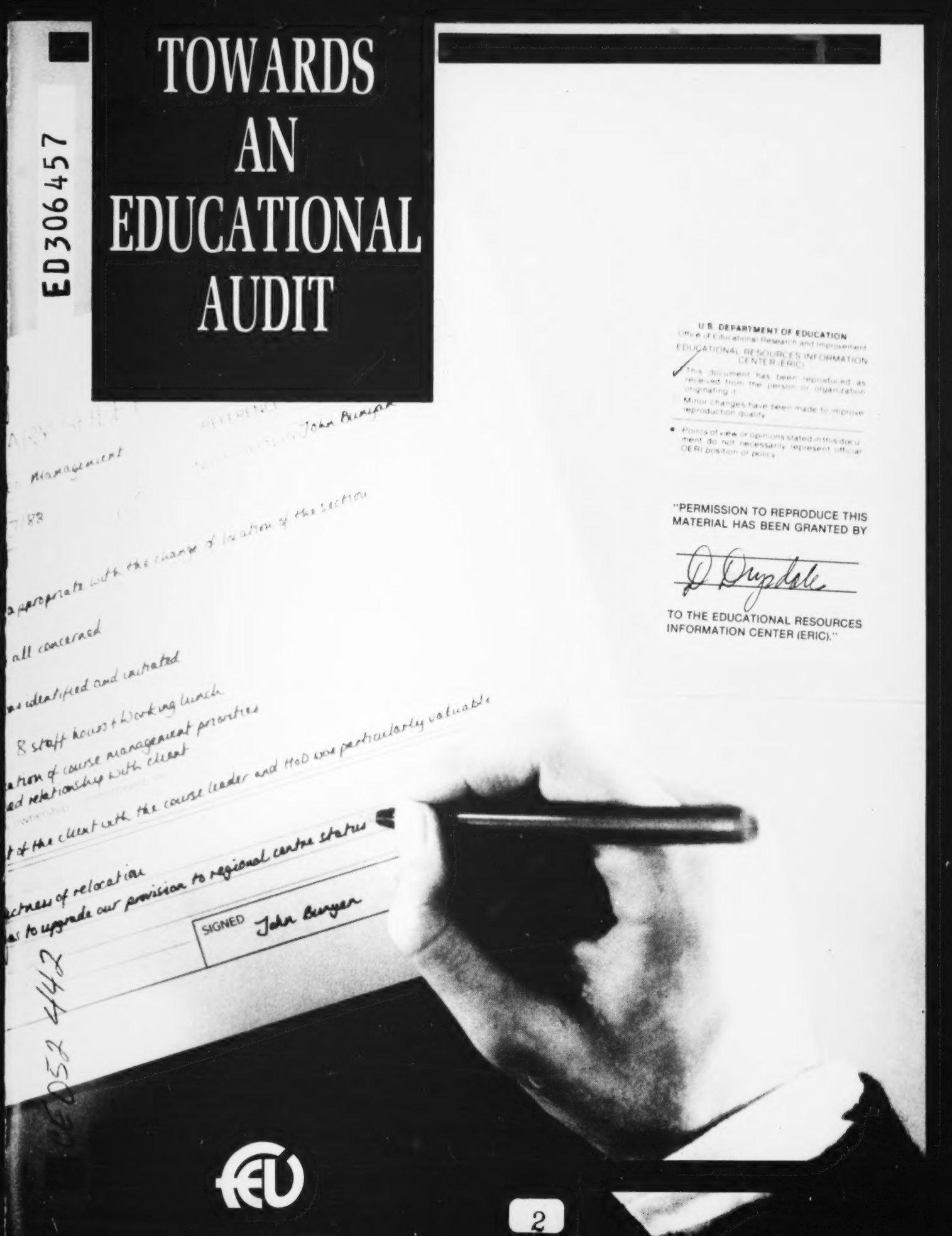

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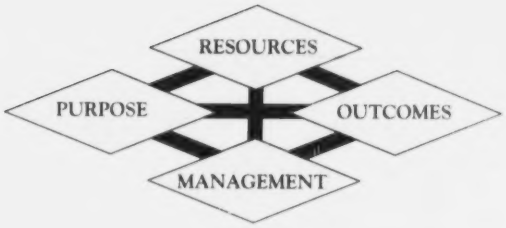

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- the Association of Colleges for Further and Higher Education (ACFHE) and the Association of Principals of Colleges (APC) for their identification with and support for the project throughout both phases;
- the project team at Blackpool and the Fylde College of Further and Higher Education: Michael McAllister (Principal and team leader), John Mowbray and Dr John Burgess;
- the project consultants, Bob Kedney and Roy Helmore;
- the collaborating staff at the following colleges:
  Bedford College of Higher Education
  Gloucestershire College of Arts and Technology
  Lancashire Polytechnic
  Newcastle College of Arts and Technology
  North West Kent College of Technology
  Richmond Adult College
  St Helens College
- the Steering Committee, chaired by Roy Helmore. Apart from the project team and FEU officers, the members were:

Dr D W Birch	–	*Deputy Director, Further Education Staff College*
Mr J E Cooper	–	*Principal Education Officer, Dorset LEA*
Mr C Doran	–	*The Training Agency*
Dr A W Hawkins	–	*originally FE Adviser, MSC, later Senior FE Adviser, Hampshire LEA*
Mr D A Humphreys	–	*Principal, Stockport College of Technology*
Ms S Prasad	–	*Education Officer, CBI*
Mr K G M Ratcliffe	–	*Director of Education Services, London Borough of Redbridge*
Mr G M Rowarth	–	*Principal, Newcastle College of Arts and Technology*

- for the FEU, Dennis Drysdale monitored the project and edited a wealth of material into this final form.

FOREWORD

Performance evaluation in further education

A number of developments in further education during the last decade have produced a cumulative pressure for colleges and LEAs to be more business like. Correctly interpreted, this is not in conflict with the desire for good quality provision. Indeed, taking a broad view, it is clear that the quality of the overall curriculum on offer is tied in with cost-effectiveness: not to be highly cost-effective means that either fewer clients are given opportunites than would otherwise be the case, or that existing learners experience a more restricted offer.

Being business like also means being clear about the nature of the business you are in: remembering its key objectives. Further education is, of course, in the learning business. The FEU firmly believes that evaluation of the performance of the FE service – at all levels, from course team through to national schemes – can only benefit our clients, whether these are individual students or employers. In addition, systematic and regular evaluation, which is in any case increasingly being required of us by external agencies, can not only promote the further improvement of the service but also provide important evidence of this improvement and of what factors are important for its maintenance. This process will be beneficial as long as:

- evaluation is based on the purpose for which the service exists and objectives agreed and periodically reviewed between providers and clients;
- demands for such evaluation are kept at levels which are themselves cost effective;
- evaluation is based on a mix of measures of both effectiveness and efficiency;
- the further education service takes the lead in evaluating its own performance using credible, professional methods.

The FEU project

This last point prompted FEU to undertake its project 'Towards an Educational Audit'. It was always the intention that the results would assist FE managers to carry out effective performance evaluation. In view of the prior publication of *Managing Colleges Efficiently* (DES/LAA, HMSO, 1987) and *Managing Resources in Further Education* (Derek Birch, FESC, 1988), which give authoritative guidance on resource control and indicators of efficiency in performance and begin to tackle indicators of effectiveness, FEU and its project team concentrated on further investigations of the elusive concept of quality and particularly on how to manage the process of performance evaluation. This document contains a brief

report of the project and the Educational Audit Reference Inventory, a working manual for FE managers. An appendix contains a worked example, with commentary, showing how the inventory can be used as a reference document to provide a working instrument to meet the objectives of any audit exercise, however small (as in this case) or large. It also shows how the inventory's audit questionnaires are intended to be used.

The project report contains no more than an indication of how the project was carried out. A much more detailed report could have been produced, but, on the advice of many senior managers consulted during the exercise, we have deliberately cut it to a bare minimum. It now provides simply the essential background and introduction to the working document. Inevitably, the two overlap to some degree, so, to avoid too much tiresome cross-referencing, there is some repetition between the two parts of the document.

A number of useful documents were supplied by the seven collaborating colleges. They are reports, papers or instruments produced in those colleges as contributions to their own thinking and practice on aspects of performance evaluation and are available on request from FEU.

Further development

Lancashire LEA, with funding from the Training Agency's Mutual Development Fund and using the experience and expertise of the FEU project team based at Blackpool, has initiated a project, to be known as the Lancashire Educational Audit Probe (LEAP), to put the outcomes and guidance contained in this document into operation in all its FE colleges and to develop and review further the essential techniques. FEU also intends to keep the document under review in consultation with LEA and college managers and others, and to revise its guidance in the light of this experience.

Comments

FEU invites comments on this document and information about interesting initiatives taken by LEAs and colleges on related issues. Please contact Dennis Drysdale at FEU (tel: 01-321 0433 ext. 204).

Geoff Stanton
Chief Officer
Further Education Unit

PROJECT REPORT

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BACKGROUND

The publication of the Audit Commission report *Obtaining Better Value From Further Education* (HMSO, 1985) was a milestone in the history of the management of further education. In essence, it did two things:

- ◇ it ensured significant changes in the philosophy of FE management;
- ◇ it acted as a kind of catalyst which helped or forced (whichever was appropriate in individual institutions or authorities) FE managers to make sense of a number of trends in the recent development of the FE system and appreciate their implications for coherent college management.

The fundamental reorientation of the British economy which started in the late 1970s was bound to have equally fundamental effects on the part of the education system most clearly related to the economy. By the time the Audit Commission reported, FE had already been forced into a radical rethink of its provision and methods. It had had to learn to live with the collapse of the apprenticeship system, the introduction of a new wider-ranging training scheme for young people (YTS), a growing reappraisal of the school examination system, special measures concerned with mid-career updating (PICKUP), provision for the adult unemployed (REPLAN) and the replacement of much of its stable base of LEA funding by earmarked funding from a variety of sources. The most notable of these was the Goverment's own change agent, then called the Manpower Services Commission, which had already become the most powerful single influence on the nature and style of FE provision. FE managers had also already had to acclimatise to the kind of phraseology which indicated the directions in which central planners intended the service to go: marketing and promotion, responsiveness, employer-led, student-centred, flexibility, accountability, performance evaluation and a clutch of terms aimed at orientating FE management towards an industrial kind of management philosophy, such as product development, quality control and cost effectiveness or value for money. Already, three of the terms with the highest profiles in this new lexicon were the three mighty Es, economy, efficiency and effectiveness.

Though the Audit Commission report leant disproportionately on considerations of economy and efficiency, because no reliable measures of effectiveness were yet available, its findings were clearly influential and cogently argued. They challenged FE managers to consider their service more as a business and as a service industry than had ever been traditional before. They would not only have to be answered, but were bound to be followed up urgently by those seeking to create a major cultural shift in FE.

Even in industrial terms, however, an audit exercise or any evaluation exercise has to take as its starting-point the objectives of the enterprise. Since auditing or performance evaluation were to become the order of the day, it was important for

the FE system itself to take hold of this exercise, determine its proper parameters and establish principles and practices which ensured that judgements on value for money in FE were based on the educational objectives the service was there to pursue. In short, performance evaluation in FE had to be a balance of measures of and judgements about both efficiency (the relationships of inputs to outcomes) and effectiveness (the relationship of objectives to outcomes, or the quality aspects of the evaluation process).

THE EDUCATIONAL AUDIT PROJECT

Phase I : The feasibility study

Brief description

FEU decided to examine this balanced approach to performance evaluation in FE, for which the term 'educational audit' was beginning to be used. Working in conjunction with ACFHE and APC, the Unit commissioned a team of senior managers from Blackpool and the Fylde College, led by the Principal, Michael McAllister, to undertake a feasibility study which had two parts:

i) a search of existing literature, British and other, to see whether any clear, commonly accepted principles and practices already existed;

ii) a series of interviews, conducted to a set brief, with a range of senior managers working in or relating to the FE system, to see whether any kind of consensus existed about the nature, purposes and methodology of the educational audit.

The results of the feasibility study were summarised in the FEU bulletin *Towards an Educational Audit* (1986). The full report produced by the project team was made available on request.

The literature search

No clear patterns of generally accepted definitions or practices emerged from the literature search, but a distillation of the literature suggested five possible approaches to the concept of educational effectiveness and its measurement:

i) goal achievement – the capability of an institution to achieve its objectives;

ii) resource acquisition – the capability of an institution to attract sufficient resources to ensure its survival;

iii) internal processes – the means by which an institution attempts to ensure its effectiveness;

iv) participant satisfaction – the degree to which an institution meets the requirements of its students, clients and staff;

v) social justice – the degree to which an institution is successful as an instrument of social policy.

Interviews

Despite the wide difference of perspectives on the FE system offered by the range of interviewees (principals, LEA managers, senior civil servants, HMI, Audit Commission) a useful consensus emerged from the opinions expressed. Its main features were:

- a commitment to a collaborative exercise to define, develop and implement measures of performance;
- an acknowledgement of the essential complexity of the educational audit exercise, and the consequent problems determining forms of presentation of the results which are both comprehensive and comprehensible to all those who need to comprehend them;
- a recognition that no single or simple audit instrument is likely to serve all audit purposes;
- an agreement that an audit exercise, though based on historic data, has a forward-looking purpose and is intended to lead to action for change and improvement in future provision;
- a recognition that the outcomes of audit exercises are action plans based on *judgements* supported by reliable data and measuring devices.

Conclusions and proposals

From their consideration of this evidence, the project team proposed that, although no single, universally applicable audit document could be created, it was possible to devise an **Educational Audit Reference Inventory**, as a working document which would assist FE managers to create reliable audit instruments for specific audit exercises, whatever their purpose.

The team proposed a five-part framework for the reference inventory: purposes and goals, outcomes, organisation and management, resources and efficiency. It also suggested that each section should be based on a series of audit probes or questions and gave some initial suggestions under each heading.

Finally the team proposed a further study to refine the concept, test aspects of it in a number of case studies and produce the full inventory, at least partially trial-tested.

Phase II : Development of the Educational Audit Reference Inventory

Methodology

FEU accepted the recommendations of the feasibility study and approved a two-year development and testing phase (1986-88). The intentions were:

- ◇ to broaden the discussion of the approach proposed in the feasibility study;
- ◇ to confirm or amend the five-part proposed framework for the reference inventory;
- ◇ to develop the inventory in detail;
- ◇ to relate aspects of the inventory to performance evaluation exercises already either under way or being planned in a selection of colleges;
- ◇ to consider appropriate mechanisms for recording and reporting the results of educational audit exercises;
- ◇ to consider the appropriate format for the presentation of the final outcomes of the project in order to make them easily usable by FE managers.

The original team based at Blackpool continued to be responsible for carrying out the project, supported by two consultants, Bob Kedney (Principal, St Helens College) and Roy Helmore (formerly Principal, Cambridgeshire College of Arts and Technology and at that time about to become Chairman of ACFHE Council), who was asked to chair a newly formed and suitably representative steering committee. ACFHE and APC continued to be associated with FEU in the project.

The broadening of the discussion of the feasibility study proposals was achieved in three main ways:

i) the results of the feasibility study, particularly the concept of the reference inventory, were introduced into the discussions of a group of senior FE managers taking part in a joint FEU/FESC Conference in April 1986. Their comments were sought to assist with the planning of Phase II;

ii) an invitation conference was held in Birmingham in February 1987, at which about 30 people were asked by FEU to spend 24 hours with the project team discussing the principles of educational audit, its relationship to college and LEA management, recent and forecast trends in FE curriculum development, the Audit Commission's work, other current relevant work on quality and economy in FE provision, and the proposed framework for the reference inventory;

iii) three short residential conferences were held at Lytham St Annes during the course of the project, at which the project team met representatives of the colleges taking part in the testing of the inventory to discuss progress, strategy

and the implications of experience so far for the framework and the underlying principles.

The FEU bulletin announcing the results of Phase I and the Unit's intention to proceed with Phase II invited interested colleges and LEAs to offer to take part in the testing exercise and supply information on their own plans for performance evaluation. Some 40 offers of assistance were received. From these, available resources allowed the selection of only seven test colleges.

The selection was carefully made to include as wide a sample as possible in terms of size, location and range and type of provision. It also included some colleges which were already fairly experienced at such exercises, some who had just started and some who were still at the planning stage. Details of the seven colleges involved and their agreed contributions to the testing of the reference inventory are set out in Figure 1. Each college submitted documents related to its contribution and all of them are available on request from FEU.

The work of the test colleges and the three residential conferences during which the project team met representatives of all of them were used to identify and refine mechanisms for recording the results of performance evaluation exercises and also for reporting the results in ways which would be easily but accurately comprehensible to a variety of legitimate audiences.

Consideration of final presentation and dissemination of the results of the project was a matter for the project steering committee.

Parallel exercises

The importance of the issues being explored in this project was so readily accepted at both central and local levels that, inevitably, during the two-year period of Phase II, other significant initiatives were bound to be taken. All those involved with the project appreciated that parallel projects must recognise each other's activities and achievements, and results must be clearly complementary, if all the exercises were to assist rather than confuse the largely similar target audiences. The project team therefore took into account:

- ◇ the National Advisory Body (NAB) Good Management Practice Studies, which were completed and reported during the FEU project;
- ◇ work on performance evaluation being undertaken by Committee of Vice-Chancellors and Principals (CVCP);
- ◇ the educational audit project sponsored by what was then known as MSC's NAFE Evaluation Group (NEG) Central Reserve and carried out in Bedfordshire, Devon and, more recently, Hampshire;
- ◇ the quality assurance in FE project undertaken by FESC, the results of the first phase of which are due to be published.

Figure 1: Participating colleges and their agreed contributions to the testing of the Reference Inventory

Institution	Contribution
Bedford College of Higher Education	Development of college mission statement with objectives; audit probes into non-completion; resource allocation methodology; personnel management audit probes including staff development.
Gloucestershire College of Arts and Technology	Development of comprehensive quality assurance mechanisms involving internal validation, monitoring and evaluation of courses.
Lancashire Polytechnic	Evolution of a comprehensive mission statement and associated performance indicators.
Newcastle College of Arts and Technology	Refinement of a mission statement (including aims and objectives); resource allocation procedures; systematic approaches to course approvals, validations and evaluations.
North West Kent College of Technology	Development of audit probes relating to the recipients of the service (i.e. individual courses), their degree of satisfaction and the allocation of resources to specific courses.
Richmond Adult College	Development of audit probes and performance indicators in adult education.
St Helens College	Development of planning mechanisms, resource allocations and performance indicators.

In particular, however, the team followed closely the work of the DES/LAA Joint Study of Efficiency in NAFE, which was set up during the FEU feasibility study, and which was due to report before the conclusion of Phase II. Its report, *Managing Colleges Efficiently* was published (HMSO) in 1987 and its proposals have been accepted by the Government and given official status through reference to them in the Education Reform Act 1988. This document lays down indicators of efficiency and targets to be achieved in FE management in the medium term. It also accepts that, to be fully valid and credible, performance evaluation in FE must be based on reliable indicators of both efficiency and effectiveness. It suggests indicators of effectiveness, but develops these less rigorously than its indicators of efficiency. FEU has always made it clear in the bulletins which have been issued during the Educational Audit project (see Outcomes below) that its results were intended to complement those of the Joint Study in that:

- ◇ it accepted the principle that performance evaluation in FE must be based on a mix of indicators covering both effectiveness and efficiency;
- ◇ it accepted the Joint Study's proposals on indicators of efficiency;
- ◇ it accepted the usefulness of the indicators suggested in the Joint Study as contributing to the evaluation of effectiveness;
- ◇ it intended to examine more deeply and make further proposals on indicators of effectiveness;
- ◇ it intended to propose methods of carrying out, recording and reporting on integrated performance evaluation exercises.

Outcomes

The interim outcomes of Phase II of the Educational Audit project were the three mid-project bulletins published under the series title of *Educating the Auditors* (January, May and October 1987).

The final outcomes are:

- ◇ a report of the processes of the project;
- ◇ the Educational Audit Reference Inventory;
- ◇ documentation from the seven collaborating colleges indicating their approach to aspects of performance evaluation.

In essence, the project has:

- ◇ proposed a structure for carrying out auditing exercises;
- ◇ produced guidance on the establishment of audit teams;
- ◇ developed a method of collecting and recording audit data and using it to make

judgements and determine action (i.e. the Educational Audit Reference Inventory);

proposed a structure for reporting the results of audit exercises based on five aspects of concern to all those who want or need to know the results.

The final part of this project report summarises the proposals on each of the above issues. Much of this is duplicated in the second section of this document since many readers may be referring to one or other section, but not both in sequence.

EXECUTING PERFORMANCE EVALUATION

The audit sequence

The sequence for carrying out an audit exercise can be summarised as:

i) establish objectives and scope;
ii) establish provisionally the form in which the outcomes will be announced;
iii) establish audit team (see *The Audit Team* below);
iv) draw up audit instrument (using the Reference Inventory as a guide);
v) establish mechanisms for collecting data;
vi) determine criteria/indicators for using data to make evaluative judgements;
vii) confirm availability of resources;
viii) issue information about the exercise to all those who need to be involved;
ix) authorise the exercise to proceed;
x) collect data;
xi) record data on audit instrument;
xii) make essential judgements by applying agreed criteria/indicators to data collected;
xiii) draw up findings and action plan;
xiv) make essential management decisions;
xv) review the form in which outcomes will be publicly announced;
xvi) announce results and execute action plan.

The senior managers commissioning the exercise are responsible for stages (i), (ii) and (iii).

The audit team then considers (iv), (v), (vi) and (vii) and presents proposals to senior management, who will confirm agreement after discussion and negotiation with the audit team.

Senior management is then responsible for (viii) and (ix).

The audit team carries out (x), (xi), (xii) and (xiii).

Senior management takes responsibility for (xiv) after discussing the findings with the audit team and then takes action to complete (xv) and (xvi).

The audit team

Whatever the objective of an audit exercise and whatever is being audited (LEA, college, department, course team), a range of people will have a legitimate interest in the exercise, both its execution and its results. If all legitimate interests are represented in the team appointed to carry out the exercise (or the main interests if 'all' would mean an unrealistically large team) evaluation judgements agreed by the team should be credible, since between them they will bring to bear on the audit data a variety of relevant perspectives. Any audit exercise within FE, for instance, however wide or narrow its scope, is likely to be of legitimate interest to:

- ◇ the relevant college governing body(ies);
- ◇ college senior management;
- ◇ college teaching staff;
- ◇ college non-teaching staff;
- ◇ students;
- ◇ employers;
- ◇ the chief education officer;
- ◇ the local authority treasurer.

If all (or most, depending on the scope of the exercise) of these are represented on the audit team, and if most judgements made by such a team are unanimous, those judgements must be substantially valid and credible. If the exercise is large in scale, others may appropriately be included, e.g. examining and validating bodies, elected members or HMI.

Recording and reporting

These two terms should not be confused; they refer to different elements of the audit sequence. As *data* needed as a basis for evaluation judgements is collected it needs to be *recorded*, i.e. set out, probably on the audit instrument, so that the audit team can see the necessary facts and figures, relate them as appropriate and make sense of them leading to agreed judgements. When the team has completed its task it needs to *report* its findings to whoever commissioned the exercise (CEO, principal, head of department). The report is likely to focus on the *judgements* made by the audit team. Data will be used to support those judgements.

Reporting for different audiences

Whoever commissions an audit exercise and whatever its purpose, a variety of people or bodies are likely to want to know the results. In general, they will all have a right to know, but they will have very different reasons for wanting to know. Some will understand the FE system well, some rather vaguely, some hardly at all. For example, an evaluation of the performance of a whole college over a given period will be of interest to all those mentioned above as potentially providing members of audit teams. To them could be added the media, the MP or MEP for the area, the DES, the Training Agency, the FE teachers' unions and parents.

It would be fatal to produce different versions of the results for different people, since this could smack of fixing the results, especially for those unfamiliar with FE. Yet full detailed findings would be confusing to many, would not appear to answer their 'simple' questions, and might therefore still be interpreted as lacking in openness.

Those to whom FEU and its project teams have turned for advice on this matter have consistently advised that it is essential to determine a nucleus of essential issues in performance evaluation which everyone, whatever their interest, will want to know about. These issues should be as few as possible while still meeting all legitimate enquiries. Judgements made by the audit team on these issues should provide the content of the main summary of the results of the exercise. The judgements should be supported by reference to the essential data which led to them. The rest of the data and subsidiary judgements would essentially be for senior management to work on and convert into their detailed action plan but would be readily available to those who wished to see them.

The two earliest workshops at which FEU and the project team discussed the principles of educational audit (FESC, April 1986 and Birmingham, February 1987) first proposed the idea of the nucleus of essential issues, then agreed on a draft list. It was suggested that, bearing in mind the need to integrate considerations of both efficiency and effectiveness, there were five essential issues of concern to all interested parties:

- ◇ staff: student ratios (SSRs) – trends in relation to agreed targets
- ◇ unit costs – trends in relation to agreed targets
- ◇ value added – i.e. progress made by students towards agreed, negotiated goals
- ◇ responsiveness to the community – i.e. effective market research and the ability to make satisfactory relevant provision to meet the results

◇ standing in the community – i.e. the extent to which the community demonstrably and readily turns to the institution or its activities to meet its needs.

The first two of these main indicators are concerned with efficiency. In Chapter 4 of *Managing Colleges Efficiently*, the basis for the calculation of SSRs is set out together with its strengths and weaknesses, and five unit cost indicators are proposed. For the purposes of this project we assumed that the DES publication and its companion volume, *Managing Resources in Further Education*, deal fully with these two indicators. We only pursued them further to the extent that necessary data can be collected through use of the Educational Audit Reference Inventory.

The other three prosposed main indicators are concerned with effectiveness, or quality. *Managing Colleges Efficiently* offers three indicators of effectiveness:

◇ completion rates for enrolled students;

◇ rates for target qualifications gained;

◇ rates of success for gaining employment or progression to further and higher education.

All of these contribute towards our proposed third main issue, value added, though our concept assumes that for each student a college will, through its initial guidance procedures, establish the student's current level of achievement on entry to a college activity and negotiate with him/her the goals to be achieved while pursuing that activity and how the achievement of those goals will be assessed. Most likely goals will be covered by the Joint Study's three proposed indicators, but some, principally concerned with personal development, will not.

Our final two proposed main issues relate mainly to the effectiveness of an institution's marketing/promotion and curriculum development/management strategies, which, given the objectives of the FE service, must surely be essential considerations in evaluating its performance.

Specific indicators of responsiveness to the community might be:

◇ the number of new contacts (e.g. employers, community groups) made through market research;

◇ number and range of new activities (e.g courses, training needs analyses, consultancy contracts) developed as a result;

◇ number of reviews carried out of existing community contracts;

◇ number and range of new or revised activities initiated as a result;

◇ evidence of client achievement/satisfaction with all the above.

Indicators of standing in the community might include:

◇ number and range of unsolicited enquiries received;

◇ number and range of enquiries following promotional events;

◇ response to open days, exhibitions;

◇ invitations to take part in significant community developments.

FEU officers and members of the project team have returned on many occasions to this proposed nucleus of essential issues during the course of the project and offered them for discussion at conferences and workshops. They have generally been seen as valid and we have therefore concluded that they should be included as a main outcome of the project. They provide, however, as indicated above, a structure for reporting the results of audit exercises, not for recording data collected during their execution. For this purpose the five-point framework proposed for the Reference Inventory in the feasibility study has been tested further and slightly amended as shown in the following section.

THE EDUCATIONAL AUDIT REFERENCE INVENTORY

Conception

The interviews conducted during the feasibility study produced unanimous agreement that:

◇ performance evaluation in FE does not entail one single, common audit exercise; evaluative exercises are appropriate at different times, for a variety of purposes and at a number of levels;

◇ consequently, there can be no single audit instrument, no blueprint to be applied automatically whenever any audit exercise is planned.

The discussions which have taken place since the feasibility study, both within and around the project, have confirmed this view. They have also, however, supported the proposal put forward in the feasibility study that it is possible to devise a reference document which can be used as a guide to the planning of all audit exercises. For this document we have used the term Educational Audit Reference Inventory.

Content

The Reference Inventory provides guidance for the planning of audit exercises in the following ways:

◇ it offers a common, consistent framework for all audit exercises;

- ◇ it proposes a method, in chart or tabulated form, for recording audit data in a manner which is clear and assists audit teams to make their essential judgements;
- ◇ under each of the four headings of the framework, it proposes main sub-headings which, it is suggested, are likely to be applicable in most if not all audit exercises. The sub-headings are phrased to refer to exercises carried out at institutional level, but can be adapted to refer to other levels;
- ◇ under each sub-heading, it offers a range of audit probes/questions. At least some of these are likely to form the nucleus of the enquiries relevant to any audit exercise (again with the phrasing adapted to suit the level of the exercise). At institutional level, the range of probes offered may be virtually complete, but at any level some modification, omission and addition will in most cases be necessary to meet local circumstances and purposes;
- ◇ for each probe or question it suggests relevant indicators as evidence of performance.

Structure

The five-part framework originally proposed in the feasibility study has been reduced to four as a result of the experience of the testing programme. It became apparent that the fifth proposed heading, efficiency, was no more a legitimate separate heading than effectiveness or economy; judgements would be possible on all three Es from the data collected under the other four headings. The framework finally determined therefore comprises four parts:

- ◇ purposes;
- ◇ management;
- ◇ resources;
- ◇ outcomes.

We have chosen to tackle the four parts in the above order in presenting the framework, but this is not intended to suggest an order of priority or even of sequencing. There is some logic in starting with a consideration of purposes, but all four parts are equally important and interrelated, and evidence from all four will need to be taken together in making final judgements and determining future action.

Each part of the inventory is divided into a number of sub-headings. For each sub-heading there is:

- ◇ a lead sheet, which contains a statement of the sub-heading, reasons for carrying out the enquiry and essential references;

◇ a variable number of continuation sheets, which list the relevant audit probes, suggest performance indicators or sources of evidence, offer criteria for judgements and provide space for judgements and action proposals.

Two further documents are provided: action sheets and summary sheets. These are intended for use with each part of the inventory and at the end of the exercise, the action sheet for determining action based on audit findings and responsibility for action and the summary sheet for evaluating the costs and benefits of the audit exercise.

How to use the Inventory

The Reference Inventory is not an audit instrument in itself; it is intended as a guide to audit planners to assist them to draw up their own audit instruments. Any audit exercise needs to be based on a purpose-designed instrument. The inventory is a reference document designed to assist as indicated above (see *Content*) in drawing up and using that purpose-designed document.

Full details of how to use the reference inventory are contained in the second part of this document. In summary, however, it is suggested that those planning audit exercises might:

◇ adopt the four-part framework proposed in the reference inventory;

◇ determine the purpose of their audit exercise;

◇ consider the sub-headings offered in each part of the reference inventory and:

- adopt them if appropriate
- adapt them to the purpose of the exercise
- omit those which are inappropriate
- add others which relate more closely to the purpose of the specific exercise under consideration;

◇ consider similarly the audit probes and indicators offered under each sub-heading;

◇ adopt a recording framework similar to that proposed in the reference inventory, but adapted as necessary to suit local circumstances and requirements;

◇ design summary and action sheets on the lines of those proposed in the reference inventory.

Presentation of results

The final task, probably to be undertaken jointly by senior managers commissioning evaluation exercises and the teams appointed to carry them out, will be to

determine a form in which the results of the exercise might be made available to all interested parties. From discussions with senior managers during the project, we suggest that results might be presented in four parts:

- ◇ background and purposes;
- ◇ the overall judgement of the audit team on each of the five essential issues of concern (see above under *Reporting for Different Audiences*);
- ◇ the main data or evidence from the exercise which supports each of these judgements;
- ◇ the full audit report.

This presentational framework will allow all interested parties, whatever their interest and whatever their understanding of FE, immediately to appreciate what the exercise sought to do, what it found that everyone wants to know and the main supporting data. Only those who really need to read and are able to understand the full report are likely to look at it in detail, and those who do will have the context and main findings clearly established before they tackle it, and therefore be assisted to adopt a positive attitude to the evidence and recommendations.

Data on the five essential issues can be collected from all parts of the inventory, but there is a clear relationship between each of the issues and specific parts of the framework. An initial indication of this relationship is set out in figure 6 on page 60.

ACTION

FEU believes that *Managing Colleges Efficiently*, *Managing Resources in Further Education* and the Educational Audit Reference Inventory between them now provide the FE system with the guidance it requires to evaluate its own performance in a manner which will be seen as credible and valid from all relevant points of view. Widespread application within the system of the indicators, procedures and principles proposed in these documents should enable the system to provide evidence of how it measures up to all three Es and to refute sweeping, ill-founded criticism while being seen to identify and actively pursue potential improvements.

If this is to be the case, the FE system and those with whom it works must accept a number of principles and implications. These include:

- ◇ performance evaluation exercises are carried out for positive reasons; they use historical data as a basis for judgements which will form the basis of action for improved performance in the future;
- ◇ improved performance requires improved support for the staff who have to deliver it;

- ◇ improved performance also requires that all those who are properly involved in the exercise understand its purpose, are actively engaged in it and are encouraged to feel shared ownership of both the exercise and the results;
- ◇ both authorities and institutions need to be competent in self-evaluation and have in place mechanisms to ensure wide-ranging, continuing performance review;
- ◇ self-evaluation is a fundamental part of professionalism in education in terms of both accountability and competence;
- ◇ performance evaluation costs money. It is a valid use of resources, but only to the extent that is essential to lead to improved performance.

All this means that LEAs and colleges have to consider the place of performance evaluation within their organisational structures. They need to consider carefully frequency, purpose, resourcing and particularly who does it, i.e. the composition of audit teams.

The FEU/ACFHE/APC educational audit exercise has tried to establish some of the principles, but has mainly concerned itself with how the process should be carried out. This document is a first attempt to provide guidance. It will inevitably need updating at regular intervals as the state of the art improves, as will the DES's guidance on essential targets and indicators. FEU and its partners therefore now hope that LEAs and colleges will:

- ◇ consider the issues concerned with the process of performance evaluation as we have identified them;
- ◇ make use of the guidance we offer and particularly of the reference inventory;
- ◇ develop their own procedures and instruments from this guidance;
- ◇ keep in touch with FEU about their experiences, their new strategies and the updating of guidance on the state of this, as yet, adolescent art.

THE EDUCATIONAL AUDIT REFERENCE INVENTORY

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WHAT THIS GUIDE CONTAINS

This guide offers a practical explanation of:

- ◇ the nature of educational auditing;
- ◇ the importance and potential benefits of educational auditing to an educational unit;
- ◇ how to carry out the educational audit process

WHAT IS AN EDUCATIONAL AUDIT?

An educational audit is a practical approach to professional accountability within the educational service.

It encompasses the systematic investigation, analysis and subsequent reporting of the performance, resources and systems of an educational unit.

An educational unit may be a small section within an institution, a whole institution or a group of institutions within a local education authority.

Performance evaluation in education, carried out through the educational audit process, embraces:

- ◇ all aspects of the activities of the authority, institution or unit under review;
- ◇ consideration of both effectiveness (i.e. quality, the relationship between expectations and outcomes) and efficiency (which covers relevant considerations of economy and the relationship between inputs and outcomes).

An educational service can be said to give value for money if the audit process shows that it is achieving its educational objectives efficiently.

EDUCATIONAL AUDITING IS NOT. . .

- ◇ A device for defending and perpetuating operating inefficiencies in the name of qualitative achievement.
- ◇ A non-negotiable inspectoral style of third degree questioning designed to find fault with a system or with individual staff.
- ◇ A fudging solution to the need for succinct performance indicators of the educational process.
- ◇ Externally directed surprise spot-checks done by teams of specialist inspectors.

- ◇ An arid collection of awkward questions which lack a philosophy and coherence and attempt to standardise an education service regardless of context.
- ◇ A device for constraining professional autonomy.
- ◇ The application of a single, rigid blueprint to all situations in all institutions, regardless of purpose, nature, location or size.

WHY IS EDUCATIONAL AUDITING SO IMPORTANT?

In the light of:

- ◇ rapid and far-reaching change in the purpose and range of further education
- ◇ increased Government scrutiny of and insistence on value for money in all public sector activities

a systematic and comprehensive approach to education management is essential.

All educational practitioners must clearly articulate what they believe to be the value of the work they do. If not, external agencies will be directed to do it for them.

The Educational Audit takes forward:

- ◇ the work of the Audit Commission (1985)
- ◇ the recommendations contained in *Managing Colleges Efficiently* (DES, 1987)
- ◇ the detailed guidance in *Managing Resources in Further Education* (Derek Birch, FESC, 1988).

It offers LEAs and college governors and managers:

- ◇ a mechanism for evaluating systematically their own performance;
- ◇ opportunities for making statements and valid judgements about both the qualitative and quantitative aspects of the services they provide.

ESSENTIAL FEATURES OF THE EDUCATIONAL AUDITING PROCESS

Effective educational auditing comes from collaboration between an audit team, selected to represent a range of legitimate interests, and staff in colleges or those parts of them being audited. Contributions will be made to audit exercises by both colleagues and line managers, and evaluation will cover organisational policies and practices as well as the delivery of the service.

The key to securing this collaboration is through the full involvement of staff prior to the event. The more the practitioners feel they have been included in the development of the audit strategy and in the design of the audit process and the more they have been involved in the selection of the audit team, the more likely it is that they will accept its outcomes and seek to implement its action plan. With open and sensitive negotiation, a feeling of ownership and commitment can develop towards the audit, which in turn stimulates an increased sense of professional responsibility.

Both management and the audit team have a part to play in establishing the right atmosphere to support audit exercises. The auditors will have to overcome negative and threatened feelings in some staff concerned by cultivating a working relationship of openness, trust and practical reasonableness. Similarly the natural, professional inquisitiveness of the audit team must not be misinterpreted as aggressive interrogation.

Educational auditing seeks to improve the performance of managers and staff, by engaging them in active learning through the processes of identifying key questions and responding to critical appraisal, leading to personal and institutional improvement. The climate in which this organisational development can blossom has to be positive and supportive, and therefore non-threatening. The intention should be to move to a philosophy where the educational audit becomes an internally led continuing activity, which seeks to make more explicit and supportive the concept of professional accountability and leads to a continual improvement in the quality of service provided.

Checklist of essential features of educational auditing

- ◇ It recognises the uniqueness of each authority, institution or unit.
- ◇ It embraces the evaluation of all aspects of the design and delivery of FE provision.
- ◇ It builds by negotiation and commitment on the active involvement of staff at all levels.
- ◇ It is forward-looking and seeks enhancement and improvement.
- ◇ It stimulates internally generated institutional development.
- ◇ It encourages the identification, analysis, recording and reporting of qualitative aspects of performance.
- ◇ It facilitates the ability of staff to take charge of their own self-evaluation and self-management.

HOW TO MEASURE AND EVALUATE IN EDUCATIONAL AUDITING

Most people are familiar with measurement (e.g. of height or weight). Indeed, many people imagine such measurements form the basis of all measurement. The term measurement properly encompasses four different scales:

◇ ratio (e.g. height and weight)

◇ interval (e.g. temperature)

◇ ordinal (e.g. hardness)

◇ nominal (e.g. identification of bus routes).

Misunderstandings have often led some educationalists to be reluctant to attempt to measure aspects of their work, particularly with regard to quality. Conversely, many attempts have been made, for a variety of purposes, to use and quote inappropriate measures, consequently compounding meaningless and dangerous inferences. In undertaking an educational audit all four scales of measurement are likely to be employed, but it is essential to see that each is employed in its proper place.

Educational auditing involves the measurement, monitoring and evaluation of an educational provision. Evaluation is more than measurement. It is usually taken as meaning a quantitative and/or a descriptive measurement *plus* a value judgement. Educational auditing is always about evaluating rather than just measuring. The value judgements involved are not just acknowledged; their significance and importance is highlighted.

Judgements in this context are valid conclusions as long as:

◇ they derive from relevant supportive data (not just numerical data);

◇ they are the agreed judgements of a range of valid interests.

WHO WILL USE THE INVENTORY?

The Educational Audit Reference Inventory is intended to be used by all those engaged in further education and training, in either the public or private sector, for the purpose of evaluating and improving the work they undertake. The approach can easily be adapted for use in other parts of the education service.

Responsibility for initiating the audit process and the use of the Inventory will normally lie with senior managers (see below under *How is the Audit Carried Out?*). In some cases, however, teams of staff may well wish to initiate an educational audit relevant to their perceived needs.

WHO WILL BE INTERESTED IN THE RESULTS OF EDUCATIONAL AUDITING?

The results of the process are of immediate concern to:

- ◇ senior FE managers at both LEA and institution level;
- ◇ FE teachers;
- ◇ non-teaching staff in FE establishments;
- ◇ governing bodies;
- ◇ students;
- ◇ employers;
- ◇ local authority treasurers and personnel officers.

They may also be of concern for a variety of different reasons to:

- ◇ HMI;
- ◇ examining and validating bodies;
- ◇ the Training Agency;
- ◇ local elected members;
- ◇ MPs or MEPs;
- ◇ the media.

This wide range of legitimate but varied interests in the results of the process has implications for their reporting (see below under *How to Report the Results of an Educational Audit).*

WHAT IS BEING AUDITED?

The diverse purposes of an educational audit may range from course/departmental monitoring to full college or authority reviews, including exercises to study and improve academic and non-academic support services, and major evaluations of an organisation as part of institutional renewal or a local authority management system.

Given such diversity of purpose, educational audits will vary in character and approach, yet ultimately will be concerned with confirming and reporting current practice, and offering positive recommendations to secure improved performance.

Data collection for educational audits will primarily harness the financial and other

numerical statistics produced as an outcome of the management information system. In addition it will rely on:

- ◇ information from source records;
- ◇ internally and externally produced reports;
- ◇ published policies and procedures;
- ◇ physical inspections;
- ◇ questionnaires;
- ◇ discussion meetings and, in certain instances, the media.

Both hard, quantifiable data and relevant, subjective comment will be acceptable evidence on which the audit team will base its judgements.

Whilst the mass of data utilised in the investigation will be historical and related to the inputs to the system, the orientation of the audit should be forward-looking, reflecting the purpose of providing positive constructive criticism designed to improve the nature and management of future educational and training provision. To this end, audits need to focus on the policies, procedures, internal mechanisms and outputs of the system, as well as its costs, facilities and resources.

WHO ARE THE AUDITORS?

The concept of an audit embraces a critical and objective examination of an organisation, undertaken by skilled and experienced personnel who traditionally have been impartial and without personal bias. The auditors' lack of self-interest has endowed their unbiased investigation and subsequent report with credibility and reliability. Auditors have generally preserved their professional independence whether they were external or internal to the audited organisation.

As indicated and listed above under *Who will be Interested in the Results of Educational Auditing?* a variety of people and organisations will have a valid interest in and perspective on any educational audit exercise.

The key to credible educational auditing is the entrusting of any audit exercise to a multidisciplinary audit team which is able to benefit from the correct balance of internal and external influences. The size of the team and its spread of membership is a matter for decision by the senior authority or college managers commissioning the exercise, and will be related to its nature and purpose, but its membership is likely to be drawn from the interests listed in the earlier section.

WHAT ARE THE BENEFITS OF EDUCATIONAL AUDITING?

Critical to the success of any labour intensive organisation is not only the installation of sound management systems but the quality and commitment of people who on a day-to-day basis are affected by and responsible for effecting those systems. The most serious debilitating factor to institutional performance and development occurs when individuals within the organisation have no feelings of belonging, no involvement and no commitment. In part, the inability to relate to or recognise that they are contributing to a defined strategy is a serious drain on motivation. Central to the philosophy of educational auditing is personal involvement and the professional development of participating staff.

Educational auditing allows for the reconciliation of bottom-up and top-down planning. It allows for practitioners at all levels including non-academic staff, to become involved in the process of analysing, recording and reporting the qualitative aspects of their work.

Recognition of the importance of the process of educational auditing leads to a deeper acknowledgement that all internal processes, systems and arrangements which enhance the involvement of all individuals have inherent in them performance indicators of quality. The identification of these indicators provides valid yardsticks for judging performance.

Linking personal involvement and professional accountability in formulating and subsequently monitoring performance evaluation is a fundamental benefit of implementing the concept of educational auditing.

HOW IS THE AUDIT PROCESS CARRIED OUT?

Performance evaluation exercises need careful planning. They also need resources. Senior authority and college staff commissioning an audit exercise should therefore determine at the start the purpose and general parameters of the exercise and the level of resources which the exercise requires (or perhaps merits, since audit exercises must themselves be cost effective).

As a guide rather than a blueprint, the following sequence for carrying out the audit process is suggested:

i) establish objectives and scope;

ii) determine provisionally the form in which the outcomes will be announced;

iii) establish audit team (see *Who are the Auditors?*)

iv) draw up an audit instrument (using the Reference Inventory as a guide);

v) establish mechanisms for collecting data;

vi) determine criteria/indicators for using data to make evaluative judgements;

vii) confirm availability of resources;

viii) issue information about the exercise to all those who need to know/be involved;

ix) authorise the exercise to proceed;

x) collect data;

xi) record data on audit instrument;

xii) make essential judgements by applying agreed criteria/indicators to data collected;

xiii) draw up findings and action plan;

xiv) make essential management decisions;

xv) review the form in which outcomes will be publicly announced;

xvi) announce results and exercise action plan.

The senior managers commissioning the exercise are responsible for stages (i), (ii) and (iii).

The audit team appointed will then consider (iv), (v), (vi) and (vii) and present proposals to senior management, who will confirm agreement after discussion and negotiation with the audit team.

Senior management will take action on (viii) and (ix).

The audit team will carry out (x), (xi), (xii) and (xiii).

Senior management will be responsible for (xiv), after discussing the findings with the audit team, and will then take action to complete (xv) and (xvi).

At various stages during the exercise a number of people or bodies may need to be consulted (e.g. Chief Education Officer, elected members, governors, Academic Board). No attempts are made here to suggest where these consultations fit into the sequence; these decisions will depend on the nature of the exercise, local management procedures and other factors.

WHAT IS THE EDUCATIONAL AUDIT REFERENCE INVENTORY?

The Inventory is a set of audit questionnaires designed to enable FE managers to devise, for any audit exercise they may wish to undertake, an instrument which the

audit team can use to progress through the full audit process, whatever its scope and purpose.

The audit questionnaires contained in the Inventory mirror those recommended by the multi-national accountancy companies in their standard guides to routine audit practice. They build upon the Audit Commission *Performance Review in Local Government* (1986) and they provide suggested performance indicators and relevant documentation against each question posed.

They have been designed as working documents to be compiled during the course of the audit exercise. They do not pretend to be exhaustive and comprehensive but provide the crucial starting-point in the continuing process of reflection, analysis and evaluation. Indeed it is considered that one value of the questionnaires lies in the demystification of the auditors' work. It is hoped that they provide positive encouragement to intending users to appreciate that the guiding principle in conducting sound audits is commonsense inquisitiveness.

In educational auditing there is no generally accepted measure or universally applicable indicator of excellence. Therefore, a range of performance indicators is assembled and compared. These are not 'good' or 'bad' in themselves but points of direction for continued investigation. Statistics only ask questions rather than answer them. When the audit team has collected its data, therefore, and recorded it on its working instrument, it then needs to consider what the assembled statistics and observations really indicate and make judgements and recommendations accordingly.

The audit questionnaires have been prepared in the recognition that a variety of parties may wish to review the service from a number of perspectives and at any level of aggregation from course, through section, department, faculty, college and LEA.

HOW TO USE THE AUDIT QUESTIONNAIRES

The audit questionnaires should not be seen as prescriptive or restrictive. The importance of the exercise lies in the process of selecting, adapting and creating an audit framework to suit the circumstances. The questionnaires also provide a common language and communications vehicle between colleges within an area which is not rigidly defined but overlapping and interconnecting.

Three basic forms make up each educational audit questionnaire. They are:

i) one lead sheet;

ii) a variable number of continuation sheets;

iii) one action plan.

Any audit exercise requires the preparation and use of a number of questionnaires, each of which comprises the above three-part package. At the end of any completed audit exercise, one further form, a summary form, is used to evaluate the costs and benefits of the whole sequence.

In the top left-hand corner of all questionnaire forms appears a diagrammatic representation of the four-part framework we propose for collecting, recording and making judgements from audit data:

This framework simply offers a system of cataloguing and classifying the audit probes, performance indicators and considered judgements. The four parts of the framework will not necessarily be applied in the same sequence in all audit exercises, though the lists of basic audit probes proposed later in this document are set out in what seems likely to be the most commonly useful sequence.

HOW TO DEVELOP AND USE AN AUDIT QUESTIONNAIRE LEAD SHEET

Figure 2 shows the proposed layout for the lead sheet of the audit questionnaire package. The lead sheet identifies the broad area of the audit exercise, providing indicators of the purpose(s) of the audit, details of the audit team and the date on which the work was undertaken. The section on 'Inventory Examples' encourages reference to available audit instruments, performance indicators and other relevant documentation which is both accessible and illustrative of approaches to similar exercises developed and trial-tested at other educational institutions.

See appendix for a sample completed lead sheet.

EDUCATIONAL AUDIT

LEAD SHEET
PAGE OF

DATE

UNDERTAKEN BY

TOPIC AREA

REFERENCE

STATEMENT

PRIMARY REASON FOR AUDIT

- ☐ on-going review
- ☐ quality improvement
- ☐ report to external agency
- ☐ institutional renewal
- ☐ efficiency improvement
- ☐ health and safety
- ☐ other: _____

INVENTORY EXAMPLES

Dimension Section	Aspect of Topic Area	Source	Further Reading	Date Prepared

Figure 2

HOW TO DEVELOP AND USE AN AUDIT CONTINUATION SHEET

Figure 3 shows the proposed layout for a continuation sheet. This form specifies the detailed audit probes relating to the area being investigated. In addition to identifying the members of the audit team and date of study, it proposes performance indicators and relevant evidence in respect of the questions posed.

The remaining columns are for the audit team to complete. In the *evidence/ performance indicators* column should be recorded the data or other evidence obtained in response to each probe, together with the performance indicators against which the team believes the data should be judged.

The *satisfactory* column is where the team indicates whether the comparison between the performance indicator and the evidence assembled in the previous column is or is not satisfactory.

The *criteria of satisfaction/further attention* column indicates the basis for the judgement in the satisfactory column and identifies the points where action is necessary.

See appendix for a sample completed continuation sheet.

EDUCATIONAL AUDIT

CONTINUATION SHEET

PAGE OF

DATE

UNDERTAKEN BY

TOPIC AREA

REFERENCE

REFERENCE	AUDIT PROBE/ QUESTION	EVIDENCE/ PERFORMANCE INDICATORS	VALUE JUDGEMENT		ACTION
			SATISFACTORY YES/NO	CRITERIA OF SATISFACTION/ FURTHER ATTENTION	

Figure 3

HOW TO DEVELOP AND USE AN AUDIT ACTION PLAN SHEET

Figure 4 shows the proposed layout for an action plan sheet. The underlying purpose in undertaking any audit must be to point to improvements in the system, on which action can be taken to secure positive benefits both to clients and to the service as a whole. For this reason an action plan sheet is included in the audit questionnaire package. This sheet is completed by the audit team as a set of recommendations to senior management. As a result of discussions between them and, in many cases, staff in the area being audited, a second, firm version of the action plan will be produced and put into operation. Those designated as persons responsible for action should be able to refer to the audit team for guidance as necessary.

As a prelude to introducing change, a prerequisite of a successful audit must be the willingness of the college management and staff to participate openly and co-operatively in a critical appraisal of their work. The action plan requires consideration of the resources, responsibilities and timescale for each proposed change. The assessment of the 'benefits' promised supports and justifies the changes recommended. The particular changes identified are derived from the 'Action' columns on the continuation sheets.

See appendix for a sample completed action plan sheet.

EDUCATIONAL AUDIT

ACTION PLAN

PAGE OF

TOPIC AREA	REFERENCE

ACTIONED BY	POSITION	SIGNATURE	DATE

DESCRIPTION OF ACTION TO BE UNDERTAKEN	PERSON RESPONSIBLE	TIME ALLOCATED	COMPLETION DATE	RESOURCES REQUIRED	ANTICIPATED BENEFITS

Figure 4

HOW TO DEVELOP AND USE AN AUDIT SUMMARY SHEET

Figure 5 shows the proposed layout for a summary sheet, which is a vehicle for evaluating the costs and benefits of the audit exercise. It is recognised that any investigation will consume resources both direct and indirect as well as actual and hidden costs. It also facilitates consideration of ways in which the conduct of the study could have been improved, together with a reflection on the process of the exercise itself.

The summary sheet should be completed by the audit team leader and submitted to the senior manager(s) who originally commissioned the study. This sheet together with additional supporting documents could form the basis of an audit review meeting of all parties concerned in the exercise.

See appendix for a sample completed summary sheet.

EDUCATIONAL AUDIT

SUMMARY SHEET

PAGE OF

TOPIC AREA REFERENCE

STARTED COMPLETED UNDERTAKEN BY

EVALUATION OF AUDIT EXCERCISE

TIMELINESS: Was the audit undertaken at the appropriate time?

CLARITY: Were the results clearly understandable?

ACTIVATION: Did the results facilitate action?

COST: Details of actual cost: hours, resources, consumables, etc.

EFFECTIVENESS: Intended/potential benefits

COMMENTS ON AUDIT PROCESS: Negotiation, involvement ownership, committment, etc.

REPORT TO:

RECOMMENDATIONS:

SIGNED DATE

Figure 5

THE AUDIT PROBES/QUESTIONS

This section contains lists of detailed audit probes or questions. As has been stressed earlier, there is no single audit instrument which can meet the requirements of all audit exercises. The lists of probes provided here are intended to cover:

- all four parts of the proposed recording framework;
- the most essential considerations in each part of the framework;
- a range of criteria or indicators on which to base the collection and recording of data and the consideration of the conclusions (judgements) which should be drawn from them.

The full set of probes and criteria, set out in accordance with the framework, on lead and continuation sheets, form the Educational Audit Reference Inventory, which can be used as a model from which to develop relevant audit instruments for all performance evaluation purposes in further and higher education.

In the lists which follow, the intention is that a lead sheet will be completed in respect of each heading or sub-heading. The parallel lists of probes/questions and criteria set out under each heading/sub-heading will be entered in the 'Audit Probes/Questions' and 'Evidence/Performance Indicators' columns of one or more continuation sheets. The audit team will then carry out its data collection and consideration exercise, filling in as they do so the remaining columns of the continuation sheets. When they have completed this work, they will complete an action sheet covering the range of data and judgements generated from each lead sheet. The summary sheet is used when the whole exercise has been completed and action agreed with senior management, as an overall summary evaluation.

TOPIC AREA: PURPOSE

STATEMENT OF PURPOSE OR MISSION STATEMENT

Has the institution a clearly identified purpose?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Is there a statement of institutional purpose or a mission statement?	Published statement of purpose or mission statement.
Who was involved in the creation of the statement of purpose or mission statement? e.g. governors; principal; senior management; academic board; academic staff; non-academic staff; LEA/Training Agency/DES; students; employers; local community	Records of the process of evolution of the statement of institutional purpose or mission statement. Documentation of the activities of the participating agencies.
Is the influence of the participating agencies reflected in the statement of purpose or mission statement?	Records of debate and recommendations of participating agencies.
Is the mission or statement of purpose widely understood? e.g. governors; senior management; academic board; academic staff; non-academic staff; students; parents; employers; DES/LEA/Training Agency; local community	Questionnaire; staff handbook; student handbook; governors' briefing pack; prospectus.
Is the mission or purpose statement 'owned' by those affected by it?	Questionnaires; records of meetings; publicity documentation.
How is the mission or purpose statement validated? – external validation? – internal validation?	Procedures established and documented in relation to both internal and external validation.
How frequently is the mission or purpose statement reviewed? – annually? – 1–3 years? – 3–10 years?	Records of review and evaluation of mission or purpose statement.
Is there a mechanism for reporting performance in relation to mission or purpose statement?	The existence of appropriate MIS. Records of MIS use for management control and decision taking, including relationship of mission or purpose statement to budgetary/resource control.
What are the major considerations addressed in the mission or purpose statement? e.g. education; training; community; employment; access; equal opportunities; income generation; external relationships.	Mission or purpose statement details.

PURPOSE

Are the major considerations addressed in the mission or purpose statement prioritised?	Mission or purpose statement details.

INSTITUTIONAL STRATEGIES

Does the purpose or mission statement direct the operational activities of the institution?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Are there institutional aims and objectives derived from the mission statement or statement of purpose?	Published institutional aims and objectives.
Are the institutional aims and objectives validated? – externally? – internally?	Existence and documentation of validating procedures.
Are the institutional aims and objectives reviewed and evaluated?	Existence of review and evaluation procedures. Records of review and evaluation activities.
Who was involved in articulating the institutional aims and objectives?	Documentation of mechanisms for defining institutional aims and objectives.
Is the institutional portfolio of courses an operational definition of institutional objectives?	Published institutional aims and objectives. Institutional prospectus.
Is there a mechanism for curriculum review and development (CRD) at senior management level?	Curriculum review and development process. Records of CRD activities at institutional level detailing: (i) curriculum development rationale; (ii) targets; (iii) performance evaluation, including value for money; (iv) action.

INFRASTRUCTURAL ORGANISATION

Does the purpose or mission statement direct the activities of each component element of the institutional infrastructure?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Does each sub-unit of the institution publish aims and objectives?	Institutional sub-unit strategy statements detailing: (i) aims; (ii) objectives; (iii) targets; (iv) performance; (v) evaluation; (vi) action.
Are sub-unit aims and objectives in accord with institutional mission statement or statement of purpose?	

	PURPOSE
Who was involved in creating sub-unit strategy statements? e.g. management; academic staff; non-academic staff; students; parents; employers; advisory committees.	Existence of mechanisms for the creation of institutional sub-unit strategy statements. Documentation relating to the extent of participation.
Is the influence of the participating agencies reflected in the strategy statements of sub-units?	Records of recommendation of participating agencies.
How frequently are institutional sub-unit strategy statements reviewed? – annually? – 1–3 years? – 3–10 years?	Records of review and evaluation of sub-unit strategy statements.
Is the course portfolio for each academic department an operational definition of departmental objectives?	Departmental strategy statements. Departmental course portfolios.
Are there mechanisms for curriculum review and development at departmental level?	Departmental curriculum review and developmental committees (CRDC). Documentation of CRDC activities. Course teams. Guidelines and decisions on value for money.
Are there representatives of academic departments on the institutional curriculum review and development committee?	Documentation of the activities of the institutional CRDC detailing its composition.
Are there mechanisms at departmental level for identifying market/student/employment/ community needs?	Existence of departmental external relations officer. Existence of departmental marketing committee. Documentation of the activities of departmental marketing committees.
Do departmental objectives designate a time period and responsible personnel?	Departmental strategy statements.
Are job descriptions related to departmental objectives?	Departmental strategy statements. Job descriptions.
Are staff development needs related to departmental objectives?	Departmental strategy statements. Departmental staff development programmes.

TOPIC AREA: MANAGEMENT

ACADEMIC QUALITY ASSURANCE

Has the institution/sub-unit a comprehensive system of academic planning linked to resource planning?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Has the institution/sub-unit a comprehensive system of academic planning?	Updated – mission statement – strategic plans – academic plans – departmental plans
What informs the planning mechanism?	NAFE/NAB Plans; Training Agency requests; update market intelligence; active marketing; employment trends; industrial advisory groups.
What is the system for processing new course proposals?	Processes leading to submission to a course approvals panel of a detailed proposal for authorisation.
What is the system for securing a balanced course development committee (CDC)?	– Procedures inviting/requiring all interested individuals to join a pre-CDC meeting – Nomination of chairperson
Is there a system of internal validation of course proposals prior to final validation procedures?	– Internal faculty/college review group – Detailed checklists for validators – Involvement of externals in system
How does the institution review and monitor its courses?	– Defined review groups – Specified operating procedures – Student, staff and employer questionnaires – Course team reviews

ORGANISATION STRUCTURE

Is the present organisation structure appropriate to the strategic purpose of the institution/ sub-unit?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
What is the present organisation structure?	– Defined organisation chart
What are the links with the LEA/funding bodies?	– Defined relationships – Agreed planning cycles – Monitoring – review procedures
Is the organisation structure a reflection of organisation purpose?	– Mission statement – Academic/dept. plans – Regular reviews – Date of last reorganisation

Is there a documented procedure to support the organisation structure?	– Defined job descriptions – Infrastructure of plans, policies and operating manual

ACADEMIC LEADERSHIP

Are institutional managers undertaking appropriate academic leadership and ensuring that programmes are relevant to the demands of the industries/communities they serve?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
What is the record of academic leadership in the institution?	– Record of successful/unsuccessful course approvals – No. of new submissions – No. of new developments introduced – Nature of liaison with industry/validating bodies/lead bodies – Extent of staff development, e.g. courses completed; research/consultancy/industrial updating for senior staff – National/regional links and relationships – Evidence of cost-effectiveness of developmental activity
To what extent are institutional managers undertaking effective individual/team development?	– Course team development – Subject specialist development – Individual staff development – Availability of managers to their teams – Conscious activities to ensure high morale

MARKETING

Has the institution/sub-unit a regularly updated, coherent and comprehensive marketing strategy in operation?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Is there an institution/sub-unit marketing plan?	– Mission statement – Broard marketing strategies – Dept./section marketing plans
How is responsibility for marketing organised?	– Job descriptions – Procedure manual – Committee structure – BIC/college company
How and to what extent are resources committed to marketing?	– Marketing plans – Budget procedures – Current level of allocation

MANAGEMENT

What market intelligence sources inform the marketing planning?	Data analysis of: – employment needs – employment levels – skill shortages – demographic trends – local/regional economic development – advisory bodies – technological/legal/social developments
Has the institution/sub-unit a coherent promotional strategy in operation?	– Defined market segments and targets – Promotional plans with budget allocations – User-friendly prospectus, course leaflets – Unified advertising procedure with media response and analysis – Active PR activities with regular press releases – Structure PR campaign to match marketing goals – Participation in careers evenings/industry visits/open days/exhibitions
How does the institution/sub-unit ensure all staff have appropriate knowledge and skills in marketing?	– LEATGS or other staff development opportunities (3 day familiarisation to 1 week programmes in specific techniques, e.g. media buying or media presentation skills) – Use of external courses or consultants
What are the procedures whereby marketing data informs course developments and course review and monitoring activities?	– Committee structure – Meetings procedure – Operations manual
What are the review and analysis procedures for evaluating marketing effectiveness?	– Marketing plans and targets (derived from mission statements) compared to actual results every 6–12 months – Response analysis to advertisements and mail shots – Review of costs and cost-effectiveness of marketing and promotion strategies

DECISION TAKING AND INFORMATION SYSTEMS

Has the institution/sub-unit a clear and effective (in terms of both fitness for purpose and value for money) system of decision making in which delegated authority is based at the lowest appropriate level and is supported by a comprehensive system of relevant and updated information?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Has the institution/sub-unit a definitive statement outlining areas of responsibility, lines of communication and current operating procedures relating to the normal cycle of college activities?	– An updated operating procedure manual (indicating e.g. relationships, responsibilities, systems, forms, deadlines) – Regularly revised job descriptions

Who has responsibility for maintaining the procedure manual and how is this accomplished?	– Designated responsibility – Loose leaf/wordprocessor disc
Has the institution/sub-unit reviewed the possible reallocating of decisions to lower levels within the organisation?	– Minutes of organisation review meeting – Revised job descriptions – Staff development reviews
Has the institution/sub-unit considered modifications to the organisational style/culture to encourage greater participation in corporate activities?	(As above)
Do decision-makers take cognisance of mission statement policy and dept. objectives?	Evidence of correlation
Do decision-makers have access to the relevant information upon which to formulate decisions?	MIS relates to decision-makers' needs and clear justification of decisions taken.
Are the results of decisions reported back to those responsible?	Effective MIS.
Do the institution's general policies, procedures and evidence of recent staff development provide support to improve decision making?	– Staff development policies and priorities – Evidence of management training
Has the institution adopted mechanisms and a culture which supports the reflection and analysis of past decisions?	– Dept./section reviews – Regular staff reviews – Supportive counselling
Is there wide and relevant participation in Institutional decision processes?	Involvement of: – governors – advisory members – staff – students – clients
Are management decisions minuted and disseminated to those affected?	– Minutes – Distribution – Meetings schedule
Has the institution undertaken a needs analysis to identify essential management information requirements?	Evidence of recent systems analysis and needs analysis
Is the information generated accessible, accurate, valid, timely, relevant and cost-effective for its required purposes?	– Sampling of information provided and comments from management – Extent of on-line facilities

How does the institution/sub-unit communicate the general awareness about the need for information from staff?	– Briefing meetings – Departmental meetings – Staff seminars
How does the institution/sub-unit ensure an adequate system of dissemination of information to staff?	– Meetings – Minutes – Newsletter – Participation
Has the institution/sub-unit sought opportunities to reduce the unnecessary duplication of information?	– Systems review – O&M studies
To what extent has the institution adopted the new technologies in decision making and communication?	– Use of on-line MIS – Use of FAX – Use of modem lines – Use of new switchboard systems

MANAGEMENT CONTROL

Is the institution/sub-unit effectively and properly managed by its designated officers?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Has the institution/sub-unit an operationalised mission statement, plan and associated key objectives which have been negotiated and agreed with the LEA/appropriate funding bodies/institutional management?	– Mission plans – Dept. objectives – NAFE Development Plans – PCFC contracts – Contracts with the Training Agency – ESF contracts – Other external contracts
Are resources allocated with regard to Institutional goals? Do operating budget heads/sections/course teams have agreed budgets/plans/targets?	– Budgets – Targets – Key performance indicators
Is there regular review of progress against plans and budgets with variances analysed and explained?	– Operating manual – Minutes of meetings – Budget reviews – Definition and calculation of range of unit costs
Are key performance indicators established and revised for all managers and do monitoring mechanisms highlight deviations and provide explanations?	Performance indicators used via procedure manual, e.g. enrolments, drop outs, completions, successes.
Are senior management, governors and advisory committee groups fully aware of the purposes of the institution/sub-unit?	– Induction of governors – Training of governors – Minutes of meetings – Circulation of objectives/plans

Are there timely and accurate management reports and responsive action to deviations?	– MIS reports – Minutes of meetings
Are the stocks of the institution/sub-unit properly maintained in a secure area?	– Physical inspections – Verification
Are records maintained in an orderly and well-documented manner?	– Records – actual stock
Are the physical stocks verified by regular stock-taking routines?	– Procedure manual – Record sheets
Do all teaching staff fulfil the class contact and other requirements to their agreed conditions of service?	– Timetables – SSR computations set against agreed targets and trends over a reasonable number of years – Notional potential teaching hours v. actual – Are part-time contracts only issued when the full-time capability is fully utilised? – Verification of under-timetabling and reasons
	Are controls established and in use to prevent: – part-time contracts issued to under-timetabled full-time staff – part-time contracts being incorrectly coded – part-time hours allocations being overspent against a predetermined budget
Do all non-teaching staff fulfil their job requirements to their agreed conditions of service?	
Are part-time contracts authorised by the appropriate budget holder and verified to ascertain accuracy?	– Procedure manual – Spot checks
Has the institution/sub-unit a clear structure of identified budget holders with delegated authority for purchasing?	– Organisation chart – Job descriptions – Procedure manual
Has the institution/sub-unit a comprehensive system for ensuring the economic and efficient purchasing of: – materials and services? – capital items?	System definition with support documents for – initial requisitioning – obtaining quotations – selecting suppliers – placing orders – verifying and storing goods – cross-verification on price and bugdet allocation – periodic review of procedures to ensure continued value for money

How does the institutional/sub-unit control – placing contracts? – writing or selling off stocks and assets?	– Designated responsibility – Procedure manual
Are the systems for authorising payment clearly determined, regularly followed, promptly actioned and subject to annual financial audit?	– Job descriptions – Procedure manual for authorisation systems – Budget holders accountabilities – Sample checks – Audit reports

COMMUNICATION

Is there an effective system of communications for the institution/sub-unit?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
What are the mechanisms for internal communications to students and staff?	– Development of mission statement – Publication of mission statement – General acceptance/commitment to beliefs and values of mission statement – Department strategy document – College, dept/course handbooks – Newsletters – Regular course team and department meetings – 'Round robin' circulation lists on new initiatives
What are the mechanisms for external communication?	– Newsletter – Corporate advertising – Mail shots – Course leaflets – Open days – Parents evenings – Incentive events – Exhibitions/displays

ADMINISTRATIVE SUPPORT

Does the institution/sub-unit have an effective and efficient system of administrative support?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Is the structure of the administrative support appropriate to the institution/sub-unit needs?	– Organisation chart – Operating manual – Job descriptions – O&M reviews

Is the administrative support service considered to be effective and efficient vis-à-vis: – providers? – recipients? – external review bodies?	– Actual comment from staff/clients/providers students/public – O&M reviews – Volume of backload of work
Has there been a recent workload analysis for this area?	Full study of documents/letters/calls/personal enquiries etc.
Is there a rapid response to customer enquiries?	– Turn round time for letters – Phone call response time
Are support staff fully consulted and involved in institutional decision making which affects their work?	– Representation on management meetings – Minutes of meetings

INCOME-GENERATING ACTIVITIES

Has the institution/sub-group mechanisms to systematise all income-generating activities?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Does the institution/sub-unit have an updated strategy statement/planning document for income-generating activities?	– Mission statement – Dept/section strategy statements – Marketing plans
How are resources and budgets developed for income-generating activities and is there an efficient administrative support system.	– Procedure manual – Pump-priming funding – Special processing of enrolments and course records
Is there a clearly identified responsibility for income-generating activities within the institution/sub-section, what are the defined responsibilities and how are they discharged?	– Organisation chart – Job descriptions – Terms of reference of commercial unit – Procedure manual
Are these effective?	Meeting agreed targets
Does the income-generating activities document have clearly detailed prices and corporate image?	– Procedure manual – Guidebook on identity and logo
Are potential clients verified for credit worthiness?	Credit procedures
Are all enquiries logged, processed and promptly actioned?	Actual procedures and operating manual – sample of log and clients.

MANAGEMENT

Is there a prompt and accurate client billing system with appropriate debt collection mechanisms?	– MIS – Review billing responsibilities
Is an effective follow-up ('after sales') service provided?	– Data base of past clients – See 'review and evaluation'

EXTERNAL RELATIONS

Does the institution/sub-unit have well-established links with organisations and client groups in its operating environment?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Have positive links been established with: – local and regional schools – colleges – polytechnics – universities?	– Mailing lists – Up-to-date details on course offerings – Visits – Open Days – Careers fairs – Joint collaborations – Recent initiatives undertaken
Has the institution regular dialogue with: – professional bodies – examining bodies – validating organisations?	– Joint meetings – Reports submitted – Visits undertaken – New initiatives established
Does the institution have positive relationships with its LEA?	– Articles of Government clearly stating responsibilities, relationships and roles – Supportive advisory service – Minutes of meetings – Resource commitment over past year – Regular reporting mechanisms – Agreed operating policies on key issues – Successful financial bids
Does the institution have appropriate communication with: – NAB/PCFC – Training Agency – DES – PICKUP?	– Recent visits and reports – Minutes of meetings – Collaborating initiatives – Number of new proposals submitted
What new and recent initiatives have been undertaken to respond to industry needs?	– Visits – Questionnaires via a needs analysis – New courses/services – Partnership in training/course submission/ secondment – Research and consultancy record

How is the institution responding to community needs?	– Counselling services – Non-vocational provision – Special needs programme – Unemployment training – Womens' programme – Health, social, welfare initiatives – Different modes of delivery
Are there examples of recent public relations coverage in the media? How has this been achieved?	– Press and other media cuttings – Systematic release procedure with good personal links
How does the institution/sub-unit monitor its relationships with external organisations?	– Surveys – Individual meetings – Sampling – Feedback from students – Minutes of advisory meetings/planning meetings

TOPIC AREA: RESOURCES

HUMAN RESOURCES

Has the institution/sub-unit an efficient and effective system for managing and developing human resources?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Has the institution/sub-unit a system for determining and recording a staff inventory?	Existence of staff inventory containing staff numbers, grade, age, gender, qualifications/ experience, date appointed, salary.
Has the institution/sub-unit a staff review system in operation?	Existence of agreed policy, documentation and procedures for implementation. Publication of needs analysis as to professional development requirements/aspirations of staff. Use of staff self-profiles leading to annual review and action plan.
Has the institution/sub-unit a staff development policy and procedures leading to the development of a forward planning cycle for the purposes of LEATGS?	Existence of policy statement which has been approved by Academic Board or similar discussion forum. Clearly defined procedures for determining information required for the purposes of LEATGS planning. Organisation structure in which staff development matters have a clear line of responsibility. Periodic and annual reports on staff development activity and effectiveness presented to Academic Board. Cost per staff development hour.
Has the institution/sub-unit an ethos in which staff involvement is encouraged and promoted?	Extent to which there is evidence of: partnership; negotiation/consultation; commitment; loyalty; corporate image. Indications of this could be through: industrial liaison; schools liaison; participation in activities with outside bodies; staff turnover.
Has the institution/sub-unit measured how efficiently and effectively staff are utilised?	Calculation of SSRs and comparison with agreed targets. Statement of method of calculating SSRs and interpretation of the three components (ALH, ASH, ACS). Full-time/part-time/overtime balance set against agreed targets. Procedures for and results of course reviews;
Has the institution procedures for determining and monitoring staff needs?	Staffroom accommodation; review of quantitative and qualitative nature; social and leisure amenities for staff; staff counselling facility; staff needs surveys.

ACCOMMODATION RESOURCES

Has the institution/sub-unit an efficient and effective system for managing and developing the accommodation resources?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Has the institution/sub-unit an inventory of accommodation?	Information obtained and recorded on size, type, location, fitments, furniture, AVA equipment. Standard of environment, e.g. heating, lighting and health and safety.
Has the institution/sub-unit a system for determining and analysing the utilisation of accommodation?	Information obtained and recorded on: room classification; frequency of use (48 week year); extent of multi use; extent of multi purpose; open access use; extent used by other users, e.g. community, conferences, renting out.
Has the institution/sub-unit a system for reviewing and evaluating the use of accommodation?	Information obtained and recorded on: changes in health and safety regulations; maintenance programme; suitability for current uses; links with other accommodation for efficiency; flexibility; innovation; cost-effectiveness evaluation.

EQUIPMENT AND MATERIALS

Has the institution/sub-unit an efficient and effective system for managing and utilising the equipment and materials resources of the organisation?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Has the institution/sub-unit an inventory of the mainstream equipment used in teaching activities?	Existence of inventory showing equipment, location, cost, age, value.
Has the institution/sub-unit a procedure for determining the utilisation of equipment and hence the space capacity?	Utilisation of equipment for delivery of curriculum known and space capacity for exploitation determined; equipment hired out to other users to guarantee income; income used to replace and update equipment; cost-effectiveness evaluation.
Has the institution/sub-unit explored the possibilities of equipment/facilities sponsored or given by industry?	Equipment donated by industry; equipment loaned by industry; rooms sponsored by industry.
Has the institution/sub-unit moved from the historical allocation methods to more imaginative and contemporary methods?	Evidence of new methods of allocation taking into account: student numbers/targets; AFE/NAFE balance; faculty grouping balance; programme weightings; performance targets.

TOPIC AREA: OUTCOMES

GENERAL

Does the institution conduct a systematic evalution of outcomes?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Does the institution have systematic procedures for identifying and reporting its outcomes?	Annual report; infrastructural sub-unit reports; governors; LEA; DES.
Do these procedures meet requirements of external and internal agencies?	Effective and efficient MIS.
Are outcomes related to institutional purpose?	Mission or purpose statement. Institutional aims and objectives.
Does the Institution monitor external satisfaction? e.g. DES; Training Agency; LEA; employers; parents; HE; community; special needs	Institutional monitoring procedures for appraising external satisfaction. Documentation and records detailing: – representation of external agencies – involvement of external agencies
Does the institution monitor internal satisfaction? e.g. students; management; academic staff; non-academic staff	Records of institutional monitoring procedures detailing: – representation – involvement

STUDENTS

Does the institution monitor, record and evaluate student outcomes?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Is student satisfaction evaluated?	Individual student profiles; questionnaires; tutorial discussions and documentation of findings; course review and evaluation.
Do students have the opportunity to comment on the total experience of college life?	Effective and efficient MIS; tutorial programme.
Are there supportive procedures for dealing with – student complaints – disputes – disciplinary procedures?	Effective tutorial system; counselling service.
Does the institution provide effective student induction?	Departmental programmes for student induction.
Are there procedures for identifying students' needs prior to entry to a course?	Student induction programmes; documentation relating to individual vocational guidance; individual student records detailing negotiation of programme based on identified needs.

Are there mechanisms for translating student dissatisfaction into remedial action?	Effective MIS; effective tutoring system; student counselling service.
Is student personal development monitored and recorded?	Individual student profiles; student records; MIS.
Does the institution explore its customers' needs in relation to student personal development? – student needs – employers' needs – HE needs – parents' aspirations	MIS; student records; questionnaires; visits; reports.
Does the institution monitor and analyse the levels of satisfaction in terms of student personal developments? – students – parents – employees – HE	Records; questionnaires; interviews; meetings.
Do all academic staff seek to monitor and report on individual student development?	Schemes of work detailing mechanisms for monitoring the development of recognisable personal attributes. Individual student profiles.
Are potential students counselled and supported?	Individual student profiles. Self-assessment mechanisms. Pre-course guidance documentation.
Are enquiries monitored and the results recorded?	Effective and efficient MIS; records of enquiries; documentation of follow-up action and results.
Does the institution monitor, record and report on course completions, drop-outs, attendance and punctuality?	MIS with facilities to: i) record enrolments, completions, drop-outs, attendance rates, punctuality; ii) analyse by course classification; iii) allow valid comparisons – within the institution – locally – regionally/nationally.
Is there an evaluation procedure relating to – completions – drop-outs – attendance – punctuality?	Records and documentation of evaluation procedures relating to on-course performance and subsequent action.

OUTCOMES

Does the institution monitor, record and report on achievement in examinations?	MIS with facilities for: – recording numbers enrolled, numbers entered for examination, numbers successful in examination; – analysing examination successes in terms of numbers enrolled, numbers entered, numbers passed, percentage rates.
Is there an evaluation procedure relating to students' performance in examinations?	MIS with facilities for comparative data on: – course achievements – local performance – national performance Records and documentation of action taken.
Does the institution publicise examination performance?	Reports to media, employers, appropriate educational agencies, parents. Records of prize-giving ceremonies. Records of outstanding achievements.
Does the institution publicise the on-course work of students?	Records of projects and assignments; documentation of advisory committees; documentation of press releases; parents evenings; publication via examination bodies.
Does the institution monitor and record student progression?	MIS which facilitates data on enrolments, course completions, progression into employment, nature of employment, progression to FHE.
Is there an evaluation procedure relating to student progression?	Records and documentation of evaluation procedures. MIS facilitating data on progression rates, rates of progression by course, classification of employment.
Does the institution operate a systematic follow-up of students into employment and FHE?	MIS Records of continuing contact with students in employment/FHE
Does the institution monitor the cost of student outcomes?	Calculation of, e.g. – cost per student enrolled – cost per successful student – cost per student completing a course all against agreed budgets

STAFF

Does the institution monitor, record and evaluate staff outcomes?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Are there procedures for assessing staff satisfaction?	Records of staff meetings; interviews; counselling.
Does the institution provide staff development?	Staff development policies statement; staff development programme; records of INSET activities; records of counselling meetings;
Are there evaluation procedures relating to staff development?	Records of evaluation procedures; questionnaires
Are there mechanisms for monitoring, recording and reporting staff grievances?	Records
Do the staff grievance procedures allow for subsequent action?	Records; documentation of action.
Does the institution monitor, analyse and report on staff turn-over, absenteeism and punctuality?	MIS facilitating data on: i) staff turn-over ii) staff absenteeism iii) punctuality iv) comparative statistics – locally – regionally – nationally
Does the institution monitor and report on learning and teaching innovations?	Course reviews; newsletter; curriculum review and development committees; records of workshops; data bases; material banks.
Is the institution engaged in providing professional services – locally – regionally – nationally – internationally?	Records: numbers of staff involved Documentation Publication of consultancy work Documentation of press releases regarding staff initiatives and achievements.
Are there mechanisms for identifying and utilising professional expertise within the institution for external services?	Data base of: – staff expertise – staff experience – projects – interest
Are there procedures for exploring community needs for professional expertise?	Institutional marketing strategy statement. Records of visits, meetings, conferences.

OUTCOMES

Are there procedures for exploring and analysing the community standing of the institution?	Questionnaires; polls; research projects.
Does the institution actively support staff initiatives in relation to external professional development?	Records of staff involved in external services. Documentation of publicising procedures relating to staff achievements.
Does the institution monitor the cost of staff outcomes?	Calculation of costs per staff development compared with agreed targets.

COURSES

Does the institution have a systematic review and evaluation of its courses?

AUDIT PROBE/QUESTION	EVIDENCE/PERFORMANCE INDICATORS
Does the institution operate a comprehensive system of curriculum review and development?	Existence of CRDC system. Records of institutional CRDC meetings. Departmental CRDC meetings. Course reviews. Documentation of external moderators' reports. Records of student evaluations of courses.
Does the curriculum review and development procedure facilitate action?	Records; documentation
Does the curriculum review and development procedure involve the recipients: students; employers; parents; community?	MIS Documentation of advisory boards, student evaluations, questionnaires, visits, meetings.
Does the institution actively encourage income-generating activities?	Existence of business industrial centre (BIC) or co. Documentation of the activities of BIC. MIS facilitating data on: – number of income-generating activities generated – number of staff engaged in income-generating activities – details of income generated
Does the institution monitor the cost of its course review system?	Calculation of cost per course review set against agreed targets.

HOW TO REPORT THE RESULTS

The results of an audit exercise should normally be made public and available to anyone who has reasons to see them. Whoever commissions an audit exercise and whatever its purpose, a variety of people or bodies may want to know the results. In general they will all have a right to know but they will have different reasons for wanting to know. Some will understand the FE system well, others only vaguely, others hardly at all. Some will want to know for supportive reasons, others may not. It is therefore important to consider carefully how to report publicly the results of audit exercises so that information can be clearly found and has been clearly stated.

Different versions for different audiences could lead to suspicion of fixing the results, but a detailed presentation of all the results drawn up in the form recorded through use of the Reference Inventory would not be helpful either, since most audiences would neither need nor understand so much detail.

It is possible to identify a small clutch of main issues about which all those who study the results will wish to be informed, whatever their interest. Published presentations of audit exercise should therefore: feature the judgements of the audit team on these issues; back these judgements up by the main supportive data; proceed to the full, detailed report of the exercise.

There are at present likely to be five main issues:

◇ staff:student ratios;

◇ unit costs;

◇ value added, i.e. progress made by students towards negotiated goals;

◇ responsiveness to the community, i.e. effective market research and the ability to make satisfactory, relevant provision to meet the results;

◇ standing in the community, i.e. the extent to which the community demonstrably and readily turns to the institution to meet its needs.

The first two of these issues are the main efficiency indicators proposed in *Managing Colleges Efficiently*. Trends in relation to agreed targets are more interesting and indicative than simple figures. The rest are effectiveness issues. They encompass and build on those proposed in *Managing Colleges Efficiently*.

Some important indicators of the three effectiveness issues are:

◇ *Value added*

- completion rates for enrolled students;
- rates for target qualification gained;
- success rates for employment or progression to further and higher education.

◇ *Responsiveness to the community*

- number of new contacts made through market research;
- number and range of new activities (e.g. courses, training needs analyses, consultancy contracts) developed as a result;
- number of reviews carried out of existing community contacts;
- number and range of new/revised activities initiated as a result;
- evidence of client achievement/satisfaction with all the above.

◇ *Standing in the community*

- number and range of unsolicited enquiries received;
- number and range of enquiries following promotional events;
- response to open days, exhibitions;
- invitations to take part in significant community developments.

The judgements of the audit team on these five issues, plus the main supporting data provide a digestible but credible indication of the professional health of whatever was being audited. They provide a more appropriate framework for *reporting* the results of an exercise than the four-part Reference Inventory framework, which is the vehicle for *collecting and recording* data. Figure 6 is a guide for conversion between the two frameworks.

Issue	Inventory Sections
SSRs Unit Costs	Resources section and sub-sections on management control and income generation, various references to MIS and to evaluation of cost-effectiveness.
Value Added	Outcomes section and sub-sections on relation of institutional strategies to mission, quality assurance and programmes relevant to demand
Responsiveness to Community	Whole of Purpose and Management sections
Standing in Community	Sub-sections on institutional review, external communications, after sales and external relations plus some references to marketing.

Figure 6: Relationship between reporting and recording frameworks

APPENDIX: EXAMPLE OF USE OF EDUCATIONAL AUDIT REFERENCE INVENTORY

This particular example was chosen primarily because it is relatively compact and thus suitable for the purposes of this publication. It is a very small audit exercise directed at only one specific aspect of a particular form of provision, but it indicates clearly:

- ◇ how to use the audit questionnaire forms;
- ◇ how to use the audit probes and criteria;
- ◇ that the Reference Inventory is meant to be used selectively depending on the nature and objectives of any specific exercise;
- ◇ that the Inventory can be used as the basis for a whole range of audit exercises, large or small, general or specific.

At the college concerned, the Trades Union Studies section was recently transferred from a Department of Business Studies to a Department of Management Studies. This decision having been taken by the Principal, in consultation with senior colleagues, it was felt appropriate that the TUC Education Officer should be involved in an audit of the organisational aspects of the establishment of the section within the new department. Accordingly, the head of department concerned undertook this audit together with the TUC officer and the course tutor. Within the college, systems have been set up both for the regular review of curricula and for an annual review of course results. Thus it was appropriate in this instance to concentrate soley on the organisational aspects.

On the summary sheet, the costs are expressed in terms of staff hours rather than cash values because it is considered that this provides the true basis for the calculation of costs. These cost factors can be turned into monetary equivalents by the use of cash values currently applicable nationally or locally as appropriate.

EDUCATIONAL AUDIT

LEAD SHEET
PAGE 1 OF 5

TRADES UNION STUDIES SECTION

DATE 7/7/88

UNDERTAKEN BY John Bunyan (HoD), Arthur Mills (Course Leader), Albert Johns (TUC Education Officer)

TOPIC AREA MANAGEMENT

REFERENCE 2.2

STATEMENT

ORGANISATION STRUCTURE

Is the present organisation stucture appropriate to the strategic purpose of the institution / sub-unit?

PRIMARY REASON FOR AUDIT

- ☐ on-going review
- ☐ quality improvement
- ☑ report to external agency
- ☐ institutional renewal
- ☐ efficiency improvement
- ☐ health and safety
- ☐ other: External reviews of transfer of courses (and section) from Business Studies to Management Dept.

INVENTORY EXAMPLES

Dimension Section	Aspect of Topic Area	Source	Further Reading	Date Prepared

EDUCATIONAL AUDIT

DATE 7/7/88

UNDERTAKEN BY John Bunyan (HoD), Arthur Mills (Course Leader), Albert Johns (TUC Education Officer)

TOPIC AREA MANAGEMENT REFERENCE 2.2

REFERENCE	AUDIT PROBE/ QUESTION	EVIDENCE/ PERFORMANCE INDICATORS	VALUE JUDGEMENT SATISFACTORY YES/NO	CRITERIA OF SATISFACTION/ FURTHER ATTENTION	ACTION
2.2.1	What is the present organisation structure?	- Defined organisation chart	Yes	Clearline management	
			No	Not in Dept. Handbook	JB
2.2.2	What are the links with the LEA / funding bodies?	- Defined relationships	Yes	Policy - Client/HoD	
		- Agreed planning cycles	Yes (annual)	Day to day - client/course leader	
		- Monitoring review procedures	Yes (annual)	National agreement	
2.2.3	Is the organisation structure a reflection of organisation purpose?	- Mission statement	Yes		
		- Academic / dept. plans	Yes		
		- Regular reviews	No	Establishment of annual reviews	HoD/client
		- Date of last reorganisation	N/A		

EDUCATIONAL AUDIT

DATE 7/7/88

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TOPIC AREA MANAGEMENT REFERENCE 2.2

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2.2.4	Is there a documented procedure to support the organisation structure?	- Defined job descriptions - Infrastructure of plans, policies and operating manual	Yes	But need updating	HoD
			No	Annual plan with client	HoD
				Termly update of bookings	CL
				Preparation of operations manual	CL
				Feasibility study to improve short term planning with regard to course numbers	CL

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EDUCATIONAL AUDIT

ACTION PLAN

TOPIC AREA Management REFERENCE 2.2

ACTIONED BY John Bunyan POSITION HoD SIGNATURE DATE John Bunyan 7/7/88

DESCRIPTION OF ACTION TO BE UNDERTAKEN	PERSON RESPONSIBLE	TIME ALLOCATED	COMPLETION DATE	RESOURCES REQUIRED	ANTICIPATED BENEFITS
Inclusion of section in Dept. handbook	JB	1 week	17/7/88		Confirms relocation and identify
Establishment of annual reviews	JB (+AM)	Immediate			Facilitate effective course management
Update job descriptions	JB	Before new term			Clarify and disseminate roles and responsibilities
Preparation of annual plan with client	JB (+AM+client)	Before new term			Improved staff and room management
Preparation of procedures manual	AM	1 month	4/8/88	4 staff hrs + typing	Training aid. Improved course administration
Development of improved short term planning procedures especially with regard to course numbers	AM	3 months	7/10/88	Staff time for mtgs with TVs	Improved marketing and staff development.
Preparation for regional centre status	AM (+JB)	6 months	6/1/89		More comprehensive and effective service

EDUCATIONAL AUDIT

SUMMARY SHEET

TOPIC AREA Management REFERENCE 2.2

STARTED 7/7/88 COMPLETED 7/7/88 UNDERTAKEN BY John Bunyan

EVALUATION OF AUDIT EXCERCISE

TIMELINESS: Was the audit undertaken at the appropriate time?

Very appropriate with the change of location of the section

CLARITY: Were the results clearly understandable?

Yes, by all concerned

ACTIVATION: Did the results facilitate action?

Action areas identified and initiated

COST: Details of actual cost: hours, resources, consumables, etc.

8 staff hours + Working lunch

EFFECTIVENESS: Intended/potential benefits

1. Clarification of course management priorities
2. Improved relationship with client

COMMENTS ON AUDIT PROCESS: Negotiation, involvement ownership, committment, etc.

The involvement of the client with the course leader and HoD was particularly valuable

REPORT TO: Principal

RECOMMENDATIONS:

1. Client confirms correctness of relocation
2. Be prepared for moves to upgrade our provision to regional centre status

SIGNED John Bunyan DATE 7/7/88

FURTHER EDUCATION UNIT

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Geoff Stanton, Chief Officer, Further Education Unit

Objectives

The objects for which the Further Education Unit (FEU) is established are to promote, encourage and develop the efficient provision of further education in the United Kingdom and for that purpose:
a) to review and evaluate the range of existing further education curricula and programmes and to identify overlap, duplication, deficiencies and inconsistencies therein;
b) to determine priorities for action to improve the provision of further education and to make recommendations as to how such improvement can be effected;
c) to carry out studies in further education and to support investigations of and experimentation in, and the development of, further education curricula and to contribute to and assist in the evaluation of initiatives in further education;
d) to disseminate and publish information, and to assist in the dissemination and publication of information, about recommendations for and experiments and developments in further education.

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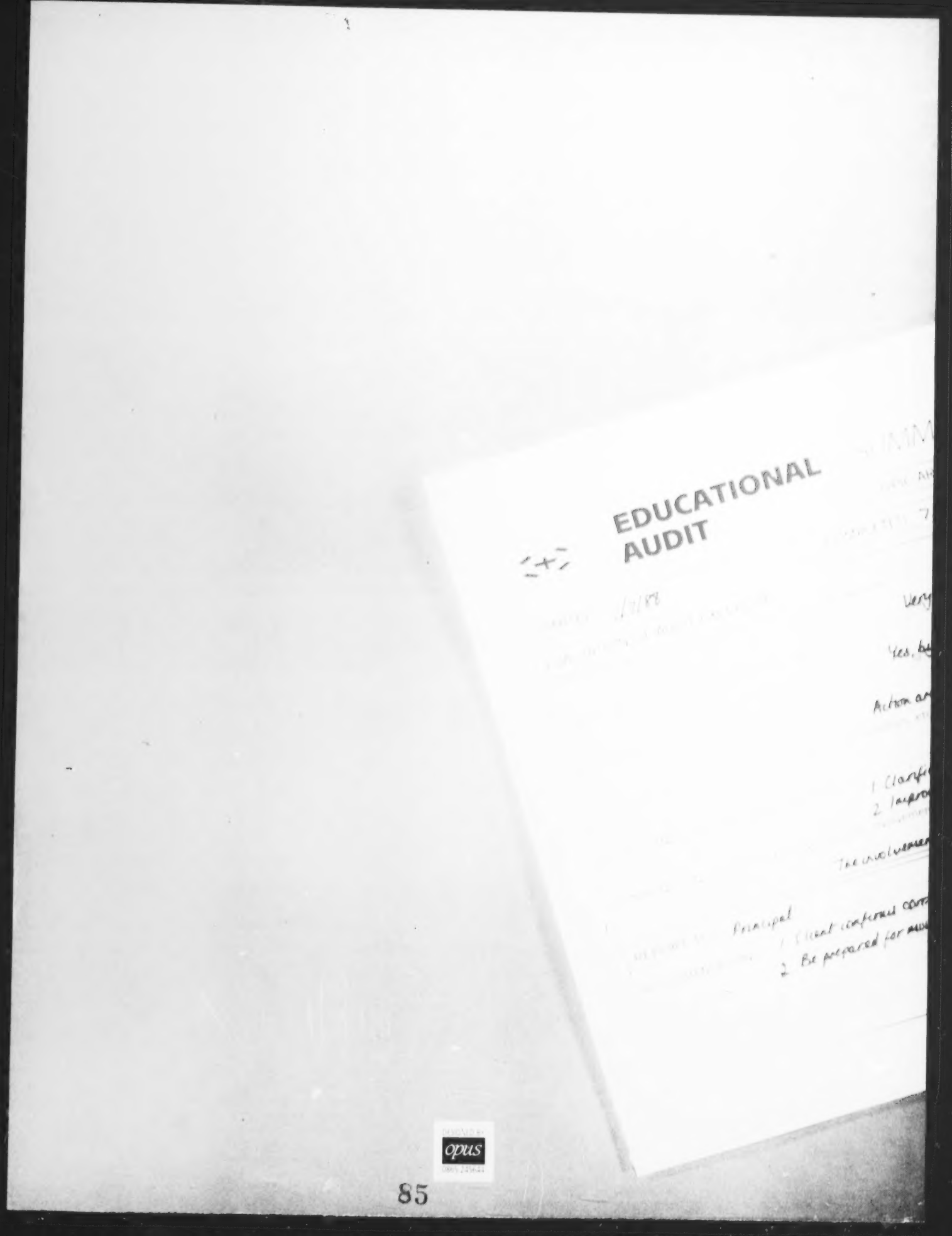
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